



GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas & Mining

MICHAEL R. STYLER
Executive Director

JOHN R. BAZA
Division Director

January 27, 2015

CERTIFIED RETURN RECEIPT
7013 2250 0000 2309 2709

David Jimenez
Zions Bank
180 North University Ave. Suite 100
Provo, Utah 84601

Subject: Redemption of Certificate of Deposit No. 0329574941, Wall & Rock, Inc., Freedom from War Mine, S/039/0024, Sanpete County, Utah

Dear Mr. Jimenez:

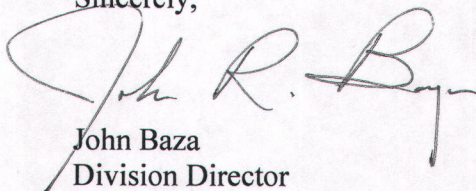
In accordance with the redemption instructions in the certificate of deposit (CD) agreement letter associated with CD 0329574941 (copy enclosed), the Division of Oil, Gas and Mining (Division) instructs Zions Bank to disburse funds in the CD as follows:

1. The principal amount of \$7000.00 is to be paid to the Division at the following address: 1594 West North Temple, Suite 1210, P. O. Box 145801, Salt Lake City, Utah 84114-5801.
2. The remaining amount is to be paid to the owner, Wall & Rock, Inc. Any interest penalty would be deducted from the amount paid to the owner. The check should be sent to Wall & Rock, Inc., P. O. Box 826, Pleasant Grove, Utah 84062.

The Division anticipates the funds being sent within five business days of your receipt of this letter. Please contact Paul Baker at 801-538-5261 if this will not be feasible or if you have questions about this letter.

Thank you for your prompt attention to this matter. The Division also appreciates the valuable role you play in facilitating the required posting of mine reclamation sureties by Utah mine operators.

Sincerely,



John Baza
Division Director

JB:pnb,pbb:pb

Enclosure: Copy of CD Agreement Letter

cc: Todd Wilhite, operator (Wall & Rock Inc., 3651 N 100 E, Ste. 300, Provo, Utah 84064)
Shane Peterson, attorney (Young, Kester, Black & Jube, 75 S. 300 W., Provo, Utah 84601)
Boyd Brothersen, landowner (22 West Main, Mount Pleasant, Utah 84647)
John Robinson, DNR (jrobinson@utah.gov)

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State of Utah
DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas & Mining

MICHAEL R. STYLER
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JOHN R. BAZA
Division Director

January 9, 2015

Todd Wilhite
Wall & Rock Inc.
3651 N 100 E, Ste. 300
Provo, Utah 84064

Subject: Transfer of Mine Permit to Boyd Brothersen, Wall and Rock Inc., Freedom from War Mine, S/039/0024, Sanpete County, Utah

Dear Mr. Wilhite:

This letter is part of ongoing penalty and settlement negotiations between you and the Division of Oil, Gas and Mining concerning the Freedom from War mine. Issues associated with other mine sites will be addressed separately.

At the meeting held on October 20, 2014, you and the Division tentatively agreed to a course of action regarding the Freedom from War mine, S/039/0024. This letter memorializes that agreement and sets forth the requirements for approving a transfer of the Freedom from War mine's operating permit, including the Notice of Intention to Commence Small Mining Operations (or NOI) and the existing reclamation surety, to Boyd Brothersen.

This transfer involves two main components: (1) the transfer of the NOI to Mr. Brothersen; and (2) the reassignment of the reclamation surety to Mr. Brothersen. As discussed during the October meeting, the Division takes note of your willingness and participation in the penalty negotiations and wishes to facilitate this transfer by deducting the dollar value of the surety from the outstanding fines.

For the transfer as tentatively agreed upon to be acceptable, the Division requires these steps and will take these actions:

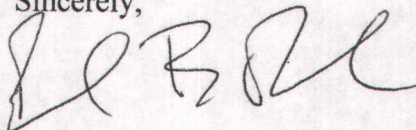
1. You must complete and notarize pages 1-2 of Form MR-TRS, Application for Transfer of Notice of Intention to Commence Small Mining Operations (enclosed). The completed form should be returned to the Division by January 15, 2015.
2. The Division will continue to work directly with Mr. Brothersen to complete the paperwork required of him. Mr. Brothersen has completed his portion of the transfer application request form (MR-TRS).
3. You must reassign the reclamation performance surety, currently held in Zions Bank Certificate of Deposit (CD) No. 0329574941, into Mr. Brothersen's name. This process requires that you draft a letter to the Division (a) asking the Division to demand the principle of the CD from Zions Bank; and (b) acknowledging that the principle will be posted as a reclamation surety in Mr. Brothersen's name

to ensure reclamation of the Freedom from War mine (S/039/0024). The letter can indicate the consideration provided in paragraph no. 6 below and must be signed and delivered to the Division by January 15, 2015.

4. The Division will then demand the principle of the CD from Zions Bank and complete the reassignment by posting it as a cash reclamation bond in Mr. Brothersen's name. Zions Bank will return the accrued interest from the CD to you.
5. After the Division is satisfied with the permit transfer and surety reassignment, it will approve the permit transfer, and your reclamation liability on the Freedom from War Mine will terminate.
6. The Division will reduce the outstanding fines against you by the amount of the reassigned bond, including any penalties assessed by Zions Bank against the CD.

The Division believes that a permit and bond transfer presents the best opportunity for a successful resolution of the Freedom from War Mine situation. Please contact the Division or its attorneys with any questions.

Sincerely,



Paul B. Baker
Minerals Program Manager

PBB:jr:pn:pb

Enclosure: Form MR-TRS, Application for Transfer of Notice of Intention to Commence Small Mining Operations

cc: Shane Petersen
Douglas Crapo
John Robinson
Boyd Brothersen

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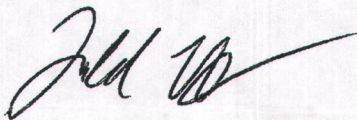
DOGM

From: **todd wilhite** (utahviper@hotmail.com)
Sent: Wed 1/14/15 8:08 AM
To: utahviper@hotmail.com

Division of Oil, Gas, and Mining of the State of Utah,

This letter is in regards to a reclamation bond I have with Zions Bank Corp, Deposit CD #0329574941. Will you please reassign my reclamation bond from Wall & Rock, INC to Boyd Brotherson. The Principle is in the amount of \$7000. Please send all remaining interest associated with this CD to Wall & Rock, PO Box 826, Pleasant Grove, Ut 84062. This reclamation bond is being reissued to Mr Brotherson in lieu of some fines and penalties that have been assessed to our company. Transferring this bond will also release us of all liability associated with the Freedom from War mine. Please take this action as soon as possible.

Thanks,



Todd Wilhite

President
Wall & Rock, Inc

RECEIVED

JAN 14 2014

Div. of Oil, Gas & Mining

copy